

Representative John R. Westwood proposes the following substitute bill:

INCORPORATION FILING AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John R. Westwood

Senate Sponsor: Don L. Ipson

LONG TITLE

General Description:

This bill relates to the process by which a town is incorporated.

Highlighted Provisions:

This bill:

- ▶ amends definitions;
- ▶ reorders the requirements that individuals must meet to file a town incorporation petition;
- ▶ requires the sponsors of a town incorporation petition to:
 - file an application with the lieutenant governor; and
 - conduct a public hearing before collecting signatures for the petition;
- ▶ requires that at least 50% of the voting-eligible population within a proposed town be registered voters;
- ▶ expands a provision to allow certain property owners to remove property from a proposed town incorporation;
- ▶ creates standards and a process by which the lieutenant governor may reject a town incorporation petition;
- ▶ modifies requirements related to the selection of a feasibility consultant;
- ▶ provides repeal dates for certain provisions that this bill makes obsolete; and



26 ▶ makes technical and conforming changes.

27 **Money Appropriated in this Bill:**

28 None

29 **Other Special Clauses:**

30 This bill provides a coordination clause.

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **10-2-403**, as last amended by Laws of Utah 2015, Chapter 352

34 **10-2a-106**, as enacted by Laws of Utah 2015, Chapter 157 and further amended by

35 Revisor Instructions, Laws of Utah 2015, Chapters 157 and last amended by

36 Coordination Clause, Laws of Utah 2015, Chapter 352, and 352

37 **10-2a-302**, as last amended by Laws of Utah 2015, Chapter 157 and renumbered and

38 amended by Laws of Utah 2015, Chapter 352

39 **10-2a-303**, as last amended by Laws of Utah 2015, Chapter 157 and renumbered and

40 amended by Laws of Utah 2015, Chapter 352

41 **10-2a-304**, as last amended by Laws of Utah 2015, Chapters 96, 111, 157 and

42 renumbered and amended by Laws of Utah 2015, Chapter 352 and last amended by

43 Coordination Clause, Laws of Utah 2015, Chapter 352

44 **20A-11-101**, as last amended by Laws of Utah 2016, Chapter 95

45 **63I-2-210**, as last amended by Laws of Utah 2016, Chapter 14

46 **63I-2-220**, as last amended by Laws of Utah 2016, Chapters 28 and 348

47 ENACTS:

48 **10-2a-302.5**, Utah Code Annotated 1953

49 **Utah Code Sections Affected by Coordination Clause:**

50 **10-2a-302**, as last amended by Laws of Utah 2015, Chapter 157 and renumbered and

51 amended by Laws of Utah 2015, Chapter 352

52 **10-2a-302.5**, Utah Code Annotated 1953

54 *Be it enacted by the Legislature of the state of Utah:*

55 Section 1. Section **10-2-403** is amended to read:

56 **10-2-403. Annexation petition -- Requirements -- Notice required before filing.**

57 (1) Except as provided in Section 10-2-418, the process to annex an unincorporated
58 area to a municipality is initiated by a petition as provided in this section.

59 (2) (a) (i) Before filing a petition under Subsection (1) with respect to the proposed
60 annexation of an area located in a county of the first class, the person or persons intending to
61 file a petition shall:

62 (A) file with the city recorder or town clerk of the proposed annexing municipality a
63 notice of intent to file a petition; and

64 (B) send a copy of the notice of intent to each affected entity.

65 (ii) Each notice of intent under Subsection (2)(a)(i) shall include an accurate map of the
66 area that is proposed to be annexed.

67 (b) (i) Subject to Subsection (2)(b)(ii), the county in which the area proposed to be
68 annexed is located shall:

69 (A) mail the notice described in Subsection (2)(b)(iii) to:

70 (I) each owner of real property located within the area proposed to be annexed; and

71 (II) each owner of real property located within 300 feet of the area proposed to be
72 annexed; and

73 (B) send to the proposed annexing municipality a copy of the notice and a certificate
74 indicating that the notice has been mailed as required under Subsection (2)(b)(i)(A).

75 (ii) The county shall mail the notice required under Subsection (2)(b)(i)(A) within 20
76 days after receiving from the person or persons who filed the notice of intent:

77 (A) a written request to mail the required notice; and

78 (B) payment of an amount equal to the county's expected actual cost of mailing the
79 notice.

80 (iii) Each notice required under Subsection (2)(b)(i)(A) shall:

81 (A) be in writing;

82 (B) state, in bold and conspicuous terms, substantially the following:

83 "Attention: Your property may be affected by a proposed annexation.

84 Records show that you own property within an area that is intended to be included in a
85 proposed annexation to (state the name of the proposed annexing municipality) or that is within
86 300 feet of that area. If your property is within the area proposed for annexation, you may be
87 asked to sign a petition supporting the annexation. You may choose whether or not to sign the

88 petition. By signing the petition, you indicate your support of the proposed annexation. If you
89 sign the petition but later change your mind about supporting the annexation, you may
90 withdraw your signature by submitting a signed, written withdrawal with the recorder or clerk
91 of (state the name of the proposed annexing municipality) within 30 days after (state the name
92 of the proposed annexing municipality) receives notice that the petition has been certified.

93 There will be no public election on the proposed annexation because Utah law does not
94 provide for an annexation to be approved by voters at a public election. Signing or not signing
95 the annexation petition is the method under Utah law for the owners of property within the area
96 proposed for annexation to demonstrate their support of or opposition to the proposed
97 annexation.

98 You may obtain more information on the proposed annexation by contacting (state the
99 name, mailing address, telephone number, and email address of the official or employee of the
100 proposed annexing municipality designated to respond to questions about the proposed
101 annexation), (state the name, mailing address, telephone number, and email address of the
102 county official or employee designated to respond to questions about the proposed annexation),
103 or (state the name, mailing address, telephone number, and email address of the person who
104 filed the notice of intent under Subsection (2)(a)(i)(A), or, if more than one person filed the
105 notice of intent, one of those persons). Once filed, the annexation petition will be available for
106 inspection and copying at the office of (state the name of the proposed annexing municipality)
107 located at (state the address of the municipal offices of the proposed annexing municipality).";
108 and

109 (C) be accompanied by an accurate map identifying the area proposed for annexation.

110 (iv) A county may not mail with the notice required under Subsection (2)(b)(i)(A) any
111 other information or materials related or unrelated to the proposed annexation.

112 (c) (i) After receiving the certificate from the county as provided in Subsection
113 (2)(b)(i)(B), the proposed annexing municipality shall, upon request from the person or persons
114 who filed the notice of intent under Subsection (2)(a)(i)(A), provide an annexation petition for
115 the annexation proposed in the notice of intent.

116 (ii) An annexation petition provided by the proposed annexing municipality may be
117 duplicated for circulation for signatures.

118 (3) Each petition under Subsection (1) shall:

119 (a) be filed with the city recorder or town clerk, as the case may be, of the proposed
120 annexing municipality;

121 (b) contain the signatures of, if all the real property within the area proposed for
122 annexation is owned by a public entity other than the federal government, the owners of all the
123 publicly owned real property, or the owners of private real property that:

124 (i) is located within the area proposed for annexation;

125 (ii) (A) subject to Subsection (3)(b)(ii)(C), covers a majority of the private land area
126 within the area proposed for annexation;

127 (B) covers 100% of rural real property as that term is defined in Section [17B-2a-1107](#)
128 within the area proposed for annexation; and

129 (C) covers 100% of the private land area within the area proposed for annexation, if the
130 area is within an agriculture protection area created under Title 17, Chapter 41, Agriculture and
131 Industrial Protection Areas, or a migratory bird production area created under Title 23, Chapter
132 28, Migratory Bird Production Area; and

133 (iii) is equal in value to at least 1/3 of the value of all private real property within the
134 area proposed for annexation;

135 (c) be accompanied by:

136 (i) an accurate and recordable map, prepared by a licensed surveyor, of the area
137 proposed for annexation; and

138 (ii) a copy of the notice sent to affected entities as required under Subsection
139 (2)(a)(i)(B) and a list of the affected entities to which notice was sent;

140 (d) if the area proposed to be annexed is located in a county of the first class, contain
141 on each signature page a notice in bold and conspicuous terms that states substantially the
142 following:

143 "Notice:

144 • There will be no public election on the annexation proposed by this petition because
145 Utah law does not provide for an annexation to be approved by voters at a public election.

146 • If you sign this petition and later decide that you do not support the petition, you may
147 withdraw your signature by submitting a signed, written withdrawal with the recorder or clerk
148 of (state the name of the proposed annexing municipality). If you choose to withdraw your
149 signature, you shall do so no later than 30 days after (state the name of the proposed annexing

150 municipality) receives notice that the petition has been certified.";

151 (e) if the petition proposes the annexation of an area located in a county that is not the
152 county in which the proposed annexing municipality is located, be accompanied by a copy of
153 the resolution, required under Subsection 10-2-402(6), of the legislative body of the county in
154 which the area is located; and

155 (f) designate up to five of the signers of the petition as sponsors, one of whom shall be
156 designated as the contact sponsor, and indicate the mailing address of each sponsor.

157 (4) A petition under Subsection (1) may not propose the annexation of all or part of an
158 area proposed for annexation to a municipality in a previously filed petition that has not been
159 denied, rejected, or granted.

160 (5) A petition under Subsection (1) proposing the annexation of an area located in a
161 county of the first class may not propose the annexation of an area that includes some or all of
162 an area proposed to be incorporated in a request for a feasibility study under Section 10-2a-202
163 or a petition under Section 10-2a-302 if or 10-2a-302.5:

164 (a) the request or petition was filed before the filing of the annexation petition; and

165 (b) the request, a petition under Section 10-2a-208 based on that request, or a petition
166 under Section 10-2a-302 or 10-2a-302.5 is still pending on the date the annexation petition is
167 filed.

168 (6) If practicable and feasible, the boundaries of an area proposed for annexation shall
169 be drawn:

170 (a) along the boundaries of existing local districts and special service districts for
171 sewer, water, and other services, along the boundaries of school districts whose boundaries
172 follow city boundaries or school districts adjacent to school districts whose boundaries follow
173 city boundaries, and along the boundaries of other taxing entities;

174 (b) to eliminate islands and peninsulas of territory that is not receiving municipal-type
175 services;

176 (c) to facilitate the consolidation of overlapping functions of local government;

177 (d) to promote the efficient delivery of services; and

178 (e) to encourage the equitable distribution of community resources and obligations.

179 (7) On the date of filing, the petition sponsors shall deliver or mail a copy of the
180 petition to the clerk of the county in which the area proposed for annexation is located.

181 (8) A property owner who signs an annexation petition proposing to annex an area
182 located in a county of the first class may withdraw the owner's signature by filing a written
183 withdrawal, signed by the property owner, with the city recorder or town clerk no later than 30
184 days after the municipal legislative body's receipt of the notice of certification under
185 Subsection [10-2-405\(2\)\(c\)\(i\)](#).

186 Section 2. Section **10-2a-106** is amended to read:

187 **10-2a-106. Feasibility study or petition to incorporate filed before May 12, 2015.**

188 (1) If a request for a feasibility study to incorporate a city is filed under Section
189 [10-2a-202](#) before May 12, 2015, the request and a subsequent feasibility study, petition, public
190 hearing, election, and any other city incorporation action applicable to that request shall be
191 filed with and be acted upon, held, processed, or paid for by the county legislative body or
192 county clerk, as applicable, as designated, directed, or authorized before Laws of Utah 2015,
193 Chapter 157, takes effect.

194 (2) If a petition to incorporate a town is filed under Section [10-2a-302](#) or [10-2a-302.5](#)
195 before May 12, 2015, the petition and a subsequent feasibility study, petition, public hearing,
196 election, and any other town incorporation action applicable to that petition to incorporate shall
197 be filed with and be acted upon, held, processed, or paid for by the county legislative body or
198 county clerk, as applicable, as designated, directed, or authorized before Laws of Utah 2015,
199 Chapter 157, takes effect.

200 Section 3. Section **10-2a-302** is amended to read:

201 **10-2a-302. Incorporation of a town -- Petition.**

202 (1) As used in this section:

203 (a) "Assessed value," with respect to agricultural land, means the value at which the
204 land would be assessed without regard to a valuation for agricultural use under Section
205 [59-2-503](#).

206 (b) "Feasibility consultant" means a person or firm:

207 (i) with expertise in the processes and economics of local government; and

208 (ii) who is independent of and not affiliated with a county or sponsor of a petition to
209 incorporate.

210 (c) "Financial feasibility study" means a study described in Subsection (7).

211 (d) "Municipal service" means a publicly provided service that is not provided on a

212 countywide basis.

213 (e) "Nonurban" means having a residential density of less than one unit per acre.

214 (2) (a) This section applies to individuals who seek to initiate the process of
215 incorporating a town before May 9, 2017.

216 (b) (i) A contiguous area of a county not within a municipality, with a population of at
217 least 100 but less than 1,000, may incorporate as a town as provided in this section.

218 (ii) An area within a county of the first class is not contiguous for purposes of
219 Subsection (2)~~(a)~~(b)(i) if:

220 (A) the area includes a strip of land that connects geographically separate areas; and

221 (B) the distance between the geographically separate areas is greater than the average
222 width of the strip of land connecting the geographically separate areas.

223 ~~(b)~~ (c) The population figure under Subsection (2)~~(a)~~(b) shall be determined:

224 (i) as of the date the incorporation petition is filed; and

225 (ii) by the Utah Population Estimates Committee within 20 days after the county clerk's
226 certification under Subsection (6) of a petition filed under Subsection (4).

227 (3) (a) ~~The~~ Individuals may initiate the process to incorporate an area as a town ~~[is~~
228 initiated by filing a by circulating a petition to incorporate the area as a town.

229 (b) The individuals must file the petition with the Office of the Lieutenant Governor no
230 later than January 2, 2018 for the petition to be valid.

231 ~~(b)~~ (c) A petition under Subsection (3)~~(a)~~(b) shall:

232 (i) be signed by:

233 (A) the owners of private real property that:

234 (I) is located within the area proposed to be incorporated; and

235 (II) is equal in assessed value to more than 1/5 of the assessed value of all private real
236 property within the area; and

237 (B) 1/5 of all registered voters within the area proposed to be incorporated as a town,
238 according to the official voter registration list maintained by the county on the date the petition
239 is filed;

240 (ii) designate as sponsors at least five of the property owners who have signed the
241 petition, one of whom shall be designated as the contact sponsor, with the mailing address of
242 each owner signing as a sponsor;

243 (iii) be accompanied by and circulated with an accurate map or plat, prepared by a
244 licensed surveyor, showing a legal description of the boundary of the proposed town; and

245 (iv) substantially comply with and be circulated in the following form:

246 PETITION FOR INCORPORATION OF (insert the proposed name of the proposed
247 town)

248 To the Honorable Lieutenant Governor:

249 We, the undersigned owners of real property and registered voters within the area
250 described in this petition, respectfully petition the lieutenant governor to direct the county
251 legislative body to submit to the registered voters residing within the area described in this
252 petition, at the next regular general election, the question of whether the area should
253 incorporate as a town. Each of the undersigned affirms that each has personally signed this
254 petition and is an owner of real property or a registered voter residing within the described area,
255 and that the current residence address of each is correctly written after the signer's name. The
256 area proposed to be incorporated as a town is described as follows: (insert an accurate
257 description of the area proposed to be incorporated).

258 ~~(e)~~ (d) A petition under this Subsection (3) may not describe an area that includes
259 some or all of an area proposed for annexation in an annexation petition under Section
260 10-2-403 that:

- 261 (i) was filed before the filing of the petition; and
- 262 (ii) is still pending on the date the petition is filed.

263 ~~(d)~~ (e) A petition may not be filed under this section if the private real property
264 owned by the petition sponsors, designated under Subsection (3)~~(b)~~(c)(ii), cumulatively
265 exceeds 40% of the total private land area within the area proposed to be incorporated as a
266 town.

267 ~~(e)~~ (f) A signer of a petition under this Subsection (3) may withdraw or, after
268 withdrawn, reinstate the signer's signature on the petition:

- 269 (i) at any time until the lieutenant governor certifies the petition under Subsection (5);
270 and

- 271 (ii) by filing a signed, written withdrawal or reinstatement with the lieutenant governor.

272 (4) (a) If a petition is filed under Subsection (3)~~(a)~~(b) proposing to incorporate as a
273 town an area located within a county of the first class, the lieutenant governor shall deliver

274 written notice of the proposed incorporation:

275 (i) to each owner of private real property owning more than 1% of the assessed value
276 of all private real property within the area proposed to be incorporated as a town; and

277 (ii) within seven calendar days after the date on which the petition is filed.

278 (b) A private real property owner described in Subsection (4)(a)(i) may exclude all or
279 part of the owner's property from the area proposed to be incorporated as a town by filing a
280 notice of exclusion:

281 (i) with the lieutenant governor; and

282 (ii) within 10 calendar days after receiving the clerk's notice under Subsection (4)(a).

283 (c) The lieutenant governor shall exclude from the area proposed to be incorporated as
284 a town the property identified in the notice of exclusion under Subsection (4)(b) if:

285 (i) the property:

286 (A) is nonurban; and

287 (B) does not and will not require a municipal service; and

288 (ii) exclusion will not leave an unincorporated island within the proposed town.

289 (d) If the lieutenant governor excludes property from the area proposed to be
290 incorporated as a town, the lieutenant governor shall send written notice of the exclusion to the
291 contact sponsor within five days after the exclusion.

292 (5) No later than 20 days after the filing of a petition under Subsection (3), the
293 lieutenant governor shall:

294 (a) with the assistance of other county officers of the county in which the incorporation
295 is proposed from whom the lieutenant governor requests assistance, determine whether the
296 petition complies with the requirements of Subsection (3); and

297 (b) (i) if the lieutenant governor determines that the petition complies with those
298 requirements:

299 (A) certify the petition; and

300 (B) mail or deliver written notification of the certification to:

301 (I) the contact sponsor; and

302 (II) the Utah Population Estimates Committee; or

303 (ii) if the lieutenant governor determines that the petition fails to comply with any of
304 those requirements, reject the petition and notify the contact sponsor in writing of the rejection

305 and the reasons for the rejection.

306 (6) (a) (i) A petition that is rejected under Subsection (5)(b)(ii) may be amended to
307 correct a deficiency for which it was rejected and then refiled with the lieutenant governor.

308 (ii) A valid signature on a petition filed under Subsection (3)~~(a)~~(b) may be used
309 toward fulfilling the signature requirement of Subsection (3)~~(b)~~(c) for the same petition that
310 is amended under Subsection (6)(a)(i) and then refiled with the lieutenant governor.

311 (b) If a petition is amended and refiled under Subsection (6)(a)(i) after having been
312 rejected by the lieutenant governor under Subsection (5)(b)(ii):

313 (i) the amended petition shall be considered as a newly filed petition; and

314 (ii) the amended petition's processing priority is determined by the date on which it is
315 refiled.

316 (7) (a) (i) If a petition is filed under Subsection (4) and certified under Subsection ~~(6)~~
317 (5), the lieutenant governor shall commission and pay for a financial feasibility study.

318 (ii) The feasibility consultant shall be chosen:

319 (A) (I) by the contact sponsor of the incorporation petition, as described in Subsection
320 ~~(3)(b)~~(c)(ii), with the consent of the lieutenant governor; or

321 (II) by the lieutenant governor if the contact sponsor states, in writing, that the sponsor
322 defers selection of the feasibility consultant to the lieutenant governor; and

323 (B) in accordance with applicable county procurement procedure.

324 (iii) The lieutenant governor shall require the feasibility consultant to complete the
325 financial feasibility study and submit written results of the study to the lieutenant governor no
326 later than 30 days after the feasibility consultant is engaged to conduct the financial feasibility
327 study.

328 (b) The financial feasibility study shall consider the:

329 (i) population and population density within the area proposed for incorporation and
330 the surrounding area;

331 (ii) current and five-year projections of demographics and economic base in the
332 proposed town and surrounding area, including household size and income, commercial and
333 industrial development, and public facilities;

334 (iii) projected growth in the proposed town and in adjacent areas during the next five
335 years;

336 (iv) subject to Subsection (7)(c), the present and five-year projections of the cost,
337 including overhead, of governmental services in the proposed town, including:

338 (A) culinary water;

339 (B) secondary water;

340 (C) sewer;

341 (D) law enforcement;

342 (E) fire protection;

343 (F) roads and public works;

344 (G) garbage;

345 (H) weeds; and

346 (I) government offices;

347 (v) assuming the same tax categories and tax rates as currently imposed by the county
348 and all other current service providers, the present and five-year projected revenue for the
349 proposed town; and

350 (vi) a projection of any new taxes per household that may be levied within the
351 incorporated area within five years of incorporation.

352 (c) (i) For purposes of Subsection (7)(b)(iv), the feasibility consultant shall assume a
353 level and quality of governmental services to be provided to the proposed town in the future
354 that fairly and reasonably approximate the level and quality of governmental services being
355 provided to the proposed town at the time of the feasibility study.

356 (ii) In determining the present cost of a governmental service, the feasibility consultant
357 shall consider:

358 (A) the amount it would cost the proposed town to provide governmental service for
359 the first five years after incorporation; and

360 (B) the county's present and five-year projected cost of providing governmental
361 service.

362 (iii) The costs calculated under Subsection (7)(b)(iv), shall take into account inflation
363 and anticipated growth.

364 (d) If the five year projected revenues under Subsection (7)(b)(v) exceed the five-year
365 projected costs under Subsection (7)(b)(iv) by more than 10%, the feasibility consultant shall
366 project and report the expected annual revenue surplus to the contact sponsor and the lieutenant

367 governor.

368 (e) The lieutenant governor shall post a copy of the feasibility study on the lieutenant
369 governor's website and make a copy available for public review at the Office of the Lieutenant
370 Governor.

371 (f) The lieutenant governor shall approve a certified petition proposing the
372 incorporation of a town and hold a public hearing as provided in Section [10-2a-303](#).

373 Section 4. Section **10-2a-302.5** is enacted to read:

374 **10-2a-302.5. Incorporation of a town -- Petition.**

375 (1) As used in this section:

376 (a) "Assessed value," with respect to agricultural land, means the value at which the
377 land would be assessed without regard to a valuation for agricultural use under Section
378 [59-2-503](#).

379 (b) (i) "Municipal services" means any of the following that are publicly provided:

380 (A) culinary water;

381 (B) secondary water;

382 (C) sewer service;

383 (D) law enforcement service;

384 (E) fire protection;

385 (F) roads;

386 (G) refuse collection; or

387 (H) weed control.

388 (ii) "Municipal services" includes the physical facilities required to provide a service
389 described in Subsection (1)(b)(i).

390 (2) (a) This section applies to individuals who seek to initiate the process of
391 incorporating a town on or after May 9, 2017.

392 (b) Individuals who reside in a contiguous area of a county that is not within a
393 municipality may incorporate as a town as provided in this section if:

394 (i) the area has a population of at least 100 people, but less than 1,000 people; and

395 (ii) at least 50% of the voting eligible population in the area are registered voters.

396 (c) An area within a county of the first class is not contiguous for purposes of
397 Subsection (2)(b) if:

398 (i) the area includes a strip of land that connects geographically separate areas; and

399 (ii) the distance between the geographically separate areas is greater than the average
400 width of the strip of land connecting the geographically separate areas.

401 (3) (a) Individuals described in Subsection (2) may initiate the process of incorporating
402 a town by filing an application for an incorporation petition with the lieutenant governor that
403 contains:

404 (i) the name and residential address of at least five sponsors of the petition who meet
405 the qualifications described in Subsection (3)(b) for a sponsor and Subsection (7) for a petition
406 signer;

407 (ii) a statement certifying that each of the sponsors:

408 (A) is a resident of the state; and

409 (B) has voted in a regular general election or municipal general election in the state
410 within the last three years;

411 (iii) the signature of each sponsor, attested to by a notary public;

412 (iv) the name of a sponsor who is designated as the contact sponsor;

413 (v) consistent with the requirements described in Subsection (3)(c), an accurate map or
414 plat, prepared by a licensed surveyor, showing a legal description of the boundary of the
415 proposed town; and

416 (vi) a statement indicating whether persons may be paid for gathering signatures for the
417 petition.

418 (b) Sponsors may not file a petition under this section if the cumulative private real
419 property that the petition sponsors own exceeds 40% of the total private land area within the
420 boundaries of the proposed town.

421 (c) A map described in Subsection (3)(a)(v) may not include an area proposed for
422 annexation in an annexation petition described in Section [10-2-403](#) that is pending on the day
423 on which the application for the incorporation petition is filed.

424 (4) (a) If the lieutenant governor determines that an incorporation petition application
425 complies with the requirements described in Subsection (3)(a), the lieutenant governor shall
426 accept the application and mail or transmit written notification of the acceptance to:

427 (i) the contact sponsor; and

428 (ii) the Utah Population Estimates Committee.

429 (b) If the lieutenant governor determines that an application does not comply with the
430 requirements described in Subsection (3)(a), the lieutenant governor shall reject the application
431 and mail or transmit written notification of the rejection, including the reason for the rejection,
432 to the contact sponsor.

433 (5) (a) Within 20 days after the day on which the lieutenant governor accepts an
434 application under Subsection (4)(a), the Utah Population Estimates Committee shall:

435 (i) determine the population of the proposed town as of the date the application was
436 filed under Subsection (3) for the proposed town; and

437 (ii) provide that determination to the lieutenant governor.

438 (b) If the Utah Population Estimates Committee determines that the population of the
439 proposed town does not meet the requirements described in Subsection (2)(b)(i), the lieutenant
440 governor shall rescind the acceptance described in Subsection (4)(a) and reject the application
441 in accordance with Subsection (4)(b).

442 (6) Within 30 days after the day on which the lieutenant governor receives the
443 determination described in Subsection (5)(b) but before collecting signatures under Subsection
444 (7), the sponsors of the incorporation petition shall hold a public hearing at which the public
445 may:

446 (a) review the map or plat of the proposed town described in Subsection (3)(a)(v);

447 (b) ask questions and receive information about the incorporation of the proposed
448 town; and

449 (c) express views about the proposed incorporation, including views regarding the
450 boundary of the proposed town.

451 (7) (a) If, after holding the public hearing described in Subsection (6), the sponsors
452 wish to proceed with the proposed incorporation, the sponsors shall circulate an incorporation
453 petition that, in order to be declared sufficient under Subsection (8)(b)(i), must be signed by:

454 (i) the owners of private real property that:

455 (A) is located within the boundaries of the proposed town; and

456 (B) is collectively greater than or equal to 20% of the assessed value of all private real
457 property within the boundaries of the proposed town; and

458 (ii) 20% of the registered voters residing within the boundaries of the proposed town,
459 as of the day on which the petition is filed.

460 (b) The petition sponsors shall ensure that the petition is:
461 (i) accompanied by and circulated with a copy of the map described in Subsection
462 (3)(a)(v); and

463 (ii) printed in substantially the following form:
464 "PETITION FOR INCORPORATION OF (insert the proposed name of the proposed
465 town)

466 To the Honorable Lieutenant Governor:

467 We, the undersigned, respectfully petition the lieutenant governor to direct the county to
468 submit to the registered voters residing within the area described in this petition, in an election,
469 the question of whether the area should incorporate as a town. Each of the undersigned affirms
470 that each has personally signed this petition and is an owner of real property located within, or
471 is a registered voter residing within, the described area, and that the current residence address
472 of each is correctly written after the signer's name. The area we propose for incorporation as a
473 town is described as follows: (insert an accurate description of the area proposed to be
474 incorporated)."

475 (c) An individual who signs a petition described in this Subsection (7) may withdraw
476 or reinstate the individual's signature by filing a written, signed statement with the lieutenant
477 governor before the lieutenant governor certifies the petition signatures under Subsection (8).

478 (d) The petition sponsors shall submit a completed petition to the lieutenant governor
479 no later than 316 days after the day on which the sponsors submit the application described in
480 Subsection (3)(a) to the lieutenant governor.

481 (8) No later than 20 days after the day on which the sponsors submit the petition to the
482 lieutenant governor under Subsection (7)(d), the lieutenant governor shall:

483 (a) determine whether the petition complies with the requirements described in
484 Subsection (7); and

485 (b) (i) if the lieutenant governor determines that the petition complies with the
486 requirements described in Subsection (7):

487 (A) certify the petition as sufficient; and

488 (B) mail or deliver written notification of the certification to the contact sponsor; or

489 (ii) if the lieutenant governor determines that the petition does not comply with the
490 requirements described in Subsection (7):

491 (A) reject the petition; and

492 (B) notify the contact sponsor in writing of the rejection and the reasons for the
493 rejection.

494 (9) (a) Petition sponsors may amend a petition that the lieutenant governor rejected
495 under Subsection (8)(b)(ii) by:

496 (i) correcting the reason for which the lieutenant governor rejects the petition; and

497 (ii) submitting an amended petition to the lieutenant governor no later than the deadline
498 described in Subsection (7)(d).

499 (b) A valid signature on a petition that the lieutenant governor rejects under Subsection
500 (8)(b)(ii) is valid for an amended petition that the petition sponsors submit to the lieutenant
501 governor under Subsection (9)(a).

502 (c) The lieutenant governor shall review an amended petition in accordance with
503 Subsection (8).

504 (d) The sponsors of an incorporation petition may not amend the petition more than
505 once.

506 (10) (a) If the lieutenant governor certifies an incorporation petition as sufficient under
507 Subsection (8), the lieutenant governor shall, within seven days after the day on which the
508 lieutenant governor certifies the petition, mail or transmit written notice of the proposed
509 incorporation to each person who owns private real property that:

510 (i) is located within the boundaries of the proposed town; and

511 (ii) has a value that is greater than or equal to 1% of the assessed value of all private
512 real property within the boundaries of the proposed town.

513 (b) A person described in Subsection (10)(a) may request that the lieutenant governor
514 exclude all or part of the person's property from boundaries of the proposed town if:

515 (i) the property does not require, and is not expected to require, a municipal service
516 that the proposed town will provide; and

517 (ii) exclusion of the property will not leave an unincorporated island within the
518 proposed town.

519 (c) (i) To request exclusion under this Subsection (10), a person described in
520 Subsection (10)(a) shall file a written request with the lieutenant governor within 10 days after
521 the day on which the person receives the notice described in Subsection (10)(a).

522 (ii) The notice shall describe the property for which the person requests exclusion.

523 (d) (i) The lieutenant governor shall exclude property from the boundaries of the
524 proposed town if the property is described in a written request filed under Subsection (10)(c)
525 and meets the requirements described in Subsection (10)(b).

526 (ii) Within five days after the lieutenant governor excludes the property, the lieutenant
527 governor shall mail or transmit written notice of the exclusion to the person who filed the
528 request and to the contact sponsor.

529 (11) (a) If the lieutenant governor certifies an incorporation petition as sufficient under
530 Subsection (8), the lieutenant governor shall, in accordance with Title 63G, Chapter 6a, Utah
531 Procurement Code, procure the services of a feasibility consultant to conduct a financial
532 feasibility study on the proposed incorporation.

533 (b) The lieutenant governor shall ensure that a feasibility consultant selected under
534 Subsection (11)(a):

535 (i) has expertise in the processes and economics of local government; and

536 (ii) is not affiliated with:

537 (A) a sponsor of the incorporation petition to which the feasibility study relates; or

538 (B) the county in which the proposed town is located.

539 (c) The lieutenant governor shall require the feasibility consultant to complete the
540 financial feasibility study and submit written results of the study to the lieutenant governor no
541 later than 60 days after the day on which the lieutenant governor procures the services of the
542 feasibility consultant.

543 (d) The financial consultant shall ensure that the financial feasibility study includes:

544 (i) an analysis of the population and population density within the boundaries of the
545 proposed town and the surrounding area;

546 (ii) the current and projected five-year demographics of, and tax base within, the
547 boundaries of the proposed town and the surrounding area, including household size and
548 income, commercial and industrial development, and public facilities;

549 (iii) subject to Subsection (11)(e), the current and five-year projected cost of providing
550 municipal services to the proposed town, including administrative costs;

551 (iv) assuming the same tax categories and tax rates as currently imposed by the county
552 and all other current municipal services providers, the present and five-year projected revenue

553 for the proposed town;

554 (v) a projection of the tax burden per household of any new taxes that may be levied
555 within the proposed town within five years of the town's incorporation; and

556 (vi) if the lieutenant governor excludes property from the proposed town under
557 Subsection (10)(d), an update to the map and legal description described in Subsection
558 (3)(a)(v).

559 (e) (i) For purposes of Subsection (11)(d)(iii), the feasibility consultant shall assume
560 that the proposed town will provide a level and quality of municipal services that fairly and
561 reasonably approximate the level and quality of municipal services that are provided to the
562 proposed town at the time the feasibility consultant conducts the feasibility study.

563 (ii) In determining the present cost of municipal services, the feasibility consultant
564 shall consider:

565 (A) the amount it would cost the proposed town to provide the municipal services for
566 the first five years after the town's incorporation; and

567 (B) the current municipal services provider's present and five-year projected cost of
568 providing the municipal services.

569 (iii) In calculating the costs described in Subsection (11)(d)(iii), the feasibility
570 consultant shall account for inflation and anticipated growth.

571 (f) If the five-year projected revenues described in Subsection (11)(d)(iv) exceed the
572 five-year projected costs described in Subsection (11)(d)(iii) by more than 10%, the feasibility
573 consultant shall project and report the expected annual revenue surplus to the contact sponsor
574 and the lieutenant governor.

575 (g) The lieutenant governor shall publish the feasibility study on the lieutenant
576 governor's website and make a copy of the feasibility study available for public review at the
577 Office of the Lieutenant Governor.

578 (12) After the lieutenant governor conducts the feasibility study, the lieutenant
579 governor shall hold a public hearing in accordance with Section [10-2a-303](#).

580 Section 5. Section **10-2a-303** is amended to read:

581 **10-2a-303. Incorporation of a town -- Public hearing on feasibility.**

582 (1) If, in accordance with Section [10-2a-302](#) or [10-2a-302.5](#), the lieutenant governor
583 certifies a petition for incorporation or an amended petition for incorporation, the lieutenant

584 governor shall, after completion of the feasibility study, schedule a public hearing [~~to~~]:

585 (a) [~~be held~~] that takes place no later than 60 days after the day on which the feasibility
586 study is completed; and

587 (b) to consider, in accordance with Subsection (3)(b), the feasibility of incorporation
588 for the proposed town.

589 (2) (a) The lieutenant governor shall give notice of the public hearing on the proposed
590 incorporation by:

591 (i) (A) publishing notice of the public hearing at least once a week for two consecutive
592 weeks in a newspaper of general circulation within the proposed town; or

593 (B) if there is no newspaper of general circulation within the proposed town, posting
594 notice of the public hearing in at least five conspicuous public places within the proposed
595 town; and

596 (ii) publishing notice of the public hearing on the Utah Public Notice Website created
597 in Section [63F-1-701](#).

598 (b) The county in which the incorporation is proposed shall post the notice described in
599 Subsection (2)(a)(ii) on the county's website, if the county has a website, for at least two
600 consecutive weeks before the day of the public hearing.

601 (3) At the public hearing scheduled in accordance with Subsection (1), the lieutenant
602 governor shall:

603 (a) (i) provide a copy of the feasibility study; and

604 (ii) present the results of the feasibility study to the public; and

605 (b) allow the public to:

606 (i) review the map or plat of the boundary of the proposed town;

607 (ii) ask questions and become informed about the proposed incorporation; and

608 (iii) express its views about the proposed incorporation, including their views about the
609 boundary of the area proposed to be incorporated.

610 (4) A county under the direction of the lieutenant governor may not hold an election on
611 the incorporation of a town in accordance with Section [10-2a-304](#) if the results of the feasibility
612 study show that the five-year projected revenues under Subsection [10-2a-302\(7\)\(b\)\(v\)](#) or
613 [10-2a-302.5\(11\)\(d\)\(iv\)](#) exceed the five-year projected costs under Subsection
614 [10-2a-302\(7\)\(b\)\(iv\)](#) or [10-2a-302.5\(11\)\(d\)\(iii\)](#) by more than 10%.

615 Section 6. Section **10-2a-304** is amended to read:

616 **10-2a-304. Incorporation of a town -- Election to incorporate -- Ballot form.**

617 (1) (a) Upon ~~[receipt of a certified petition or a certified amended petition under~~
618 ~~Section 10-2a-302]~~ the completion of a feasibility study described in Section 10-2a-302 or
619 10-2a-302.5 and the public hearing described in Section 10-2a-303, the lieutenant governor
620 shall ~~[(i) determine and set an election date for the]~~ schedule an incorporation election ~~[that is:~~
621 ~~(A) on]~~ for the proposed town on:

622 (i) the date of a regular general election [date under] described in Section 20A-1-201 or
623 on the date of a local special election [date under] described in Section 20A-1-203; and

624 ~~[(B)]~~ (ii) a date that is at least 65 days after the day [that the legislative body receives
625 the certified petition; and] on which the lieutenant governor certifies the petition under
626 Subsection 10-2a-302(5) or 10-2a-302.5.

627 ~~[(ii)]~~ (b) The lieutenant governor shall direct the county ~~[legislative body of the county]~~
628 in which the ~~[incorporation is]~~ proposed town is located to hold the incorporation election on
629 the date ~~[determined by]~~ that the lieutenant governor ~~[in accordance with]~~ schedules under
630 Subsection (1)(a)[(i)].

631 ~~[(b)]~~ (c) The county described in Subsection (1)(b) shall hold the incorporation election
632 as directed by the lieutenant governor in accordance with Subsection (1)~~[(a)(i)]~~(b).

633 ~~[(c)]~~ (d) ~~[Unless a person]~~ An individual may not vote in an incorporation election
634 under this section unless the individual is a registered voter who resides, as defined in Section
635 20A-1-102, within the boundaries of the proposed town~~[, the person may not vote on the~~
636 proposed incorporation].

637 (2) (a) The county clerk shall publish notice of the election:

638 (i) in a newspaper of general circulation, within the area proposed to be incorporated,
639 at least once a week for three successive weeks; and

640 (ii) in accordance with Section 45-1-101 for three weeks.

641 (b) The notice required by Subsection (2)(a) shall contain:

642 (i) a statement of the contents of the petition;

643 (ii) a description of the area proposed to be incorporated as a town;

644 (iii) a statement of the date and time of the election and the location of polling places;

645 and

646 (iv) the lieutenant governor's Internet website address, if applicable, and the address of
647 the Office of the Lieutenant Governor where the feasibility study is available for review.

648 (c) The last publication of notice required under Subsection (2)(a) shall occur at least
649 one day but no more than seven days before the election.

650 (d) (i) In accordance with Subsection (2)(a)(i), if there is no newspaper of general
651 circulation within the proposed town, the county clerk shall post at least one notice of the
652 election per 100 population in conspicuous places within the proposed town that are most
653 likely to give notice of the election to the voters of the proposed town.

654 (ii) The clerk shall post the notices under Subsection (2)(d)(i) at least seven days before
655 the election under Subsection (1)(a).

656 (3) The ballot at the incorporation election shall pose the incorporation question
657 substantially as follows:

658 Shall the area described as (insert a description of the proposed town) be incorporated
659 as the town of (insert the proposed name of the proposed town)?

660 (4) The ballot shall provide a space for the voter to answer yes or no to the question in
661 Subsection (3).

662 (5) If a majority of those casting votes within the area boundaries of the proposed town
663 vote to incorporate as a town, the area shall incorporate.

664 Section 7. Section **20A-11-101** is amended to read:

665 **20A-11-101. Definitions.**

666 As used in this chapter:

667 (1) "Address" means the number and street where an individual resides or where a
668 reporting entity has its principal office.

669 (2) "Agent of a reporting entity" means:

670 (a) a person acting on behalf of a reporting entity at the direction of the reporting
671 entity;

672 (b) a person employed by a reporting entity in the reporting entity's capacity as a
673 reporting entity;

674 (c) the personal campaign committee of a candidate or officeholder;

675 (d) a member of the personal campaign committee of a candidate or officeholder in the
676 member's capacity as a member of the personal campaign committee of the candidate or

677 officeholder; or

678 (e) a political consultant of a reporting entity.

679 (3) "Ballot proposition" includes initiatives, referenda, proposed constitutional
680 amendments, and any other ballot propositions submitted to the voters that are authorized by
681 the Utah Code Annotated 1953.

682 (4) "Candidate" means any person who:

683 (a) files a declaration of candidacy for a public office; or

684 (b) receives contributions, makes expenditures, or gives consent for any other person to
685 receive contributions or make expenditures to bring about the person's nomination or election
686 to a public office.

687 (5) "Chief election officer" means:

688 (a) the lieutenant governor for state office candidates, legislative office candidates,
689 officeholders, political parties, political action committees, corporations, political issues
690 committees, state school board candidates, judges, and labor organizations, as defined in
691 Section [20A-11-1501](#); and

692 (b) the county clerk for local school board candidates.

693 (6) (a) "Contribution" means any of the following when done for political purposes:

694 (i) a gift, subscription, donation, loan, advance, or deposit of money or anything of
695 value given to the filing entity;

696 (ii) an express, legally enforceable contract, promise, or agreement to make a gift,
697 subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or
698 anything of value to the filing entity;

699 (iii) any transfer of funds from another reporting entity to the filing entity;

700 (iv) compensation paid by any person or reporting entity other than the filing entity for
701 personal services provided without charge to the filing entity;

702 (v) remuneration from:

703 (A) any organization or its directly affiliated organization that has a registered lobbyist;

704 or

705 (B) any agency or subdivision of the state, including school districts;

706 (vi) a loan made by a candidate deposited to the candidate's own campaign; and

707 (vii) in-kind contributions.

708 (b) "Contribution" does not include:

709 (i) services provided by individuals volunteering a portion or all of their time on behalf
710 of the filing entity if the services are provided without compensation by the filing entity or any
711 other person;

712 (ii) money lent to the filing entity by a financial institution in the ordinary course of
713 business; or

714 (iii) goods or services provided for the benefit of a candidate or political party at less
715 than fair market value that are not authorized by or coordinated with the candidate or political
716 party.

717 (7) "Coordinated with" means that goods or services provided for the benefit of a
718 candidate or political party are provided:

719 (a) with the candidate's or political party's prior knowledge, if the candidate or political
720 party does not object;

721 (b) by agreement with the candidate or political party;

722 (c) in coordination with the candidate or political party; or

723 (d) using official logos, slogans, and similar elements belonging to a candidate or
724 political party.

725 (8) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business
726 organization that is registered as a corporation or is authorized to do business in a state and
727 makes any expenditure from corporate funds for:

728 (i) the purpose of expressly advocating for political purposes; or

729 (ii) the purpose of expressly advocating the approval or the defeat of any ballot
730 proposition.

731 (b) "Corporation" does not mean:

732 (i) a business organization's political action committee or political issues committee; or

733 (ii) a business entity organized as a partnership or a sole proprietorship.

734 (9) "County political party" means, for each registered political party, all of the persons
735 within a single county who, under definitions established by the political party, are members of
736 the registered political party.

737 (10) "County political party officer" means a person whose name is required to be
738 submitted by a county political party to the lieutenant governor in accordance with Section

739 20A-8-402.

740 (11) "Detailed listing" means:

741 (a) for each contribution or public service assistance:

742 (i) the name and address of the individual or source making the contribution or public
743 service assistance, except to the extent that the name or address of the individual or source is
744 unknown;

745 (ii) the amount or value of the contribution or public service assistance; and

746 (iii) the date the contribution or public service assistance was made; and

747 (b) for each expenditure:

748 (i) the amount of the expenditure;

749 (ii) the person or entity to whom it was disbursed;

750 (iii) the specific purpose, item, or service acquired by the expenditure; and

751 (iv) the date the expenditure was made.

752 (12) (a) "Donor" means a person that gives money, including a fee, due, or assessment
753 for membership in the corporation, to a corporation without receiving full and adequate
754 consideration for the money.

755 (b) "Donor" does not include a person that signs a statement that the corporation may
756 not use the money for an expenditure or political issues expenditure.

757 (13) "Election" means each:

758 (a) regular general election;

759 (b) regular primary election; and

760 (c) special election at which candidates are eliminated and selected.

761 (14) "Electioneering communication" means a communication that:

762 (a) has at least a value of \$10,000;

763 (b) clearly identifies a candidate or judge; and

764 (c) is disseminated through the Internet, newspaper, magazine, outdoor advertising
765 facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly
766 identified candidate's or judge's election date.

767 (15) (a) "Expenditure" means any of the following made by a reporting entity or an
768 agent of a reporting entity on behalf of the reporting entity:

769 (i) any disbursement from contributions, receipts, or from the separate bank account

770 required by this chapter;

771 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
772 or anything of value made for political purposes;

773 (iii) an express, legally enforceable contract, promise, or agreement to make any
774 purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of
775 value for political purposes;

776 (iv) compensation paid by a filing entity for personal services rendered by a person
777 without charge to a reporting entity;

778 (v) a transfer of funds between the filing entity and a candidate's personal campaign
779 committee; or

780 (vi) goods or services provided by the filing entity to or for the benefit of another
781 reporting entity for political purposes at less than fair market value.

782 (b) "Expenditure" does not include:

783 (i) services provided without compensation by individuals volunteering a portion or all
784 of their time on behalf of a reporting entity;

785 (ii) money lent to a reporting entity by a financial institution in the ordinary course of
786 business; or

787 (iii) anything listed in Subsection (15)(a) that is given by a reporting entity to
788 candidates for office or officeholders in states other than Utah.

789 (16) "Federal office" means the office of president of the United States, United States
790 Senator, or United States Representative.

791 (17) "Filing entity" means the reporting entity that is required to file a financial
792 statement required by this chapter or Chapter 12, Part 2, Judicial Retention Elections.

793 (18) "Financial statement" includes any summary report, interim report, verified
794 financial statement, or other statement disclosing contributions, expenditures, receipts,
795 donations, or disbursements that is required by this chapter or Chapter 12, Part 2, Judicial
796 Retention Elections.

797 (19) "Governing board" means the individual or group of individuals that determine the
798 candidates and committees that will receive expenditures from a political action committee,
799 political party, or corporation.

800 (20) "Incorporation" means the process established by Title 10, Chapter 2a, Municipal

801 Incorporation, by which a geographical area becomes legally recognized as a city, town, or
802 metro township.

803 (21) "Incorporation election" means the election authorized by Section [10-2a-210](#),
804 [10-2a-304](#), or [10-2a-404](#).

805 (22) "Incorporation petition" means a petition authorized by Section [10-2a-208](#) [or],
806 [10-2a-302](#), or [10-2a-302.5](#).

807 (23) "Individual" means a natural person.

808 (24) "In-kind contribution" means anything of value, other than money, that is accepted
809 by or coordinated with a filing entity.

810 (25) "Interim report" means a report identifying the contributions received and
811 expenditures made since the last report.

812 (26) "Legislative office" means the office of state senator, state representative, speaker
813 of the House of Representatives, president of the Senate, and the leader, whip, and assistant
814 whip of any party caucus in either house of the Legislature.

815 (27) "Legislative office candidate" means a person who:

816 (a) files a declaration of candidacy for the office of state senator or state representative;

817 (b) declares oneself to be a candidate for, or actively campaigns for, the position of
818 speaker of the House of Representatives, president of the Senate, or the leader, whip, and
819 assistant whip of any party caucus in either house of the Legislature; or

820 (c) receives contributions, makes expenditures, or gives consent for any other person to
821 receive contributions or make expenditures to bring about the person's nomination, election, or
822 appointment to a legislative office.

823 (28) "Major political party" means either of the two registered political parties that
824 have the greatest number of members elected to the two houses of the Legislature.

825 (29) "Officeholder" means a person who holds a public office.

826 (30) "Party committee" means any committee organized by or authorized by the
827 governing board of a registered political party.

828 (31) "Person" means both natural and legal persons, including individuals, business
829 organizations, personal campaign committees, party committees, political action committees,
830 political issues committees, and labor organizations, as defined in Section [20A-11-1501](#).

831 (32) "Personal campaign committee" means the committee appointed by a candidate to

832 act for the candidate as provided in this chapter.

833 (33) "Personal use expenditure" has the same meaning as provided under Section
834 20A-11-104.

835 (34) (a) "Political action committee" means an entity, or any group of individuals or
836 entities within or outside this state, a major purpose of which is to:

837 (i) solicit or receive contributions from any other person, group, or entity for political
838 purposes; or

839 (ii) make expenditures to expressly advocate for any person to refrain from voting or to
840 vote for or against any candidate or person seeking election to a municipal or county office.

841 (b) "Political action committee" includes groups affiliated with a registered political
842 party but not authorized or organized by the governing board of the registered political party
843 that receive contributions or makes expenditures for political purposes.

844 (c) "Political action committee" does not mean:

845 (i) a party committee;

846 (ii) any entity that provides goods or services to a candidate or committee in the regular
847 course of its business at the same price that would be provided to the general public;

848 (iii) an individual;

849 (iv) individuals who are related and who make contributions from a joint checking
850 account;

851 (v) a corporation, except a corporation a major purpose of which is to act as a political
852 action committee; or

853 (vi) a personal campaign committee.

854 (35) (a) "Political consultant" means a person who is paid by a reporting entity, or paid
855 by another person on behalf of and with the knowledge of the reporting entity, to provide
856 political advice to the reporting entity.

857 (b) "Political consultant" includes a circumstance described in Subsection (35)(a),
858 where the person:

859 (i) has already been paid, with money or other consideration;

860 (ii) expects to be paid in the future, with money or other consideration; or

861 (iii) understands that the person may, in the discretion of the reporting entity or another
862 person on behalf of and with the knowledge of the reporting entity, be paid in the future, with

863 money or other consideration.

864 (36) "Political convention" means a county or state political convention held by a
865 registered political party to select candidates.

866 (37) (a) "Political issues committee" means an entity, or any group of individuals or
867 entities within or outside this state, a major purpose of which is to:

868 (i) solicit or receive donations from any other person, group, or entity to assist in
869 placing a ballot proposition on the ballot, assist in keeping a ballot proposition off the ballot, or
870 to advocate that a voter refrain from voting or vote for or vote against any ballot proposition;

871 (ii) make expenditures to expressly advocate for any person to sign or refuse to sign a
872 ballot proposition or incorporation petition or refrain from voting, vote for, or vote against any
873 proposed ballot proposition or an incorporation in an incorporation election; or

874 (iii) make expenditures to assist in qualifying or placing a ballot proposition on the
875 ballot or to assist in keeping a ballot proposition off the ballot.

876 (b) "Political issues committee" does not mean:

877 (i) a registered political party or a party committee;

878 (ii) any entity that provides goods or services to an individual or committee in the
879 regular course of its business at the same price that would be provided to the general public;

880 (iii) an individual;

881 (iv) individuals who are related and who make contributions from a joint checking
882 account;

883 (v) a corporation, except a corporation a major purpose of which is to act as a political
884 issues committee; or

885 (vi) a group of individuals who:

886 (A) associate together for the purpose of challenging or supporting a single ballot
887 proposition, ordinance, or other governmental action by a county, city, town, local district,
888 special service district, or other local political subdivision of the state;

889 (B) have a common liberty, property, or financial interest that is directly impacted by
890 the ballot proposition, ordinance, or other governmental action;

891 (C) do not associate together, for the purpose described in Subsection (37)(b)(vi)(A),
892 via a legal entity;

893 (D) do not receive funds for challenging or supporting the ballot proposition,

894 ordinance, or other governmental action from a person other than an individual in the group;
895 and

896 (E) do not expend a total of more than \$5,000 for the purpose described in Subsection
897 (37)(b)(vi)(A).

898 (38) (a) "Political issues contribution" means any of the following:

899 (i) a gift, subscription, unpaid or partially unpaid loan, advance, or deposit of money or
900 anything of value given to a political issues committee;

901 (ii) an express, legally enforceable contract, promise, or agreement to make a political
902 issues donation to influence the approval or defeat of any ballot proposition;

903 (iii) any transfer of funds received by a political issues committee from a reporting
904 entity;

905 (iv) compensation paid by another reporting entity for personal services rendered
906 without charge to a political issues committee; and

907 (v) goods or services provided to or for the benefit of a political issues committee at
908 less than fair market value.

909 (b) "Political issues contribution" does not include:

910 (i) services provided without compensation by individuals volunteering a portion or all
911 of their time on behalf of a political issues committee; or

912 (ii) money lent to a political issues committee by a financial institution in the ordinary
913 course of business.

914 (39) (a) "Political issues expenditure" means any of the following when made by a
915 political issues committee or on behalf of a political issues committee by an agent of the
916 reporting entity:

917 (i) any payment from political issues contributions made for the purpose of influencing
918 the approval or the defeat of:

919 (A) a ballot proposition; or

920 (B) an incorporation petition or incorporation election;

921 (ii) a purchase, payment, distribution, loan, advance, deposit, or gift of money made for
922 the express purpose of influencing the approval or the defeat of:

923 (A) a ballot proposition; or

924 (B) an incorporation petition or incorporation election;

925 (iii) an express, legally enforceable contract, promise, or agreement to make any
926 political issues expenditure;

927 (iv) compensation paid by a reporting entity for personal services rendered by a person
928 without charge to a political issues committee; or

929 (v) goods or services provided to or for the benefit of another reporting entity at less
930 than fair market value.

931 (b) "Political issues expenditure" does not include:

932 (i) services provided without compensation by individuals volunteering a portion or all
933 of their time on behalf of a political issues committee; or

934 (ii) money lent to a political issues committee by a financial institution in the ordinary
935 course of business.

936 (40) "Political purposes" means an act done with the intent or in a way to influence or
937 tend to influence, directly or indirectly, any person to refrain from voting or to vote for or
938 against any:

939 (a) candidate or a person seeking a municipal or county office at any caucus, political
940 convention, or election; or

941 (b) judge standing for retention at any election.

942 (41) (a) "Poll" means the survey of a person regarding the person's opinion or
943 knowledge of an individual who has filed a declaration of candidacy for public office, or of a
944 ballot proposition that has legally qualified for placement on the ballot, which is conducted in
945 person or by telephone, facsimile, Internet, postal mail, or email.

946 (b) "Poll" does not include:

947 (i) a ballot; or

948 (ii) an interview of a focus group that is conducted, in person, by one individual, if:

949 (A) the focus group consists of more than three, and less than thirteen, individuals; and

950 (B) all individuals in the focus group are present during the interview.

951 (42) "Primary election" means any regular primary election held under the election
952 laws.

953 (43) "Publicly identified class of individuals" means a group of 50 or more individuals
954 sharing a common occupation, interest, or association that contribute to a political action
955 committee or political issues committee and whose names can be obtained by contacting the

956 political action committee or political issues committee upon whose financial statement the
957 individuals are listed.

958 (44) "Public office" means the office of governor, lieutenant governor, state auditor,
959 state treasurer, attorney general, state school board member, state senator, state representative,
960 speaker of the House of Representatives, president of the Senate, and the leader, whip, and
961 assistant whip of any party caucus in either house of the Legislature.

962 (45) (a) "Public service assistance" means the following when given or provided to an
963 officeholder to defray the costs of functioning in a public office or aid the officeholder to
964 communicate with the officeholder's constituents:

965 (i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of
966 money or anything of value to an officeholder; or

967 (ii) goods or services provided at less than fair market value to or for the benefit of the
968 officeholder.

969 (b) "Public service assistance" does not include:

970 (i) anything provided by the state;

971 (ii) services provided without compensation by individuals volunteering a portion or all
972 of their time on behalf of an officeholder;

973 (iii) money lent to an officeholder by a financial institution in the ordinary course of
974 business;

975 (iv) news coverage or any publication by the news media; or

976 (v) any article, story, or other coverage as part of any regular publication of any
977 organization unless substantially all the publication is devoted to information about the
978 officeholder.

979 (46) "Receipts" means contributions and public service assistance.

980 (47) "Registered lobbyist" means a person registered under Title 36, Chapter 11,
981 Lobbyist Disclosure and Regulation Act.

982 (48) "Registered political action committee" means any political action committee that
983 is required by this chapter to file a statement of organization with the Office of the Lieutenant
984 Governor.

985 (49) "Registered political issues committee" means any political issues committee that
986 is required by this chapter to file a statement of organization with the Office of the Lieutenant

987 Governor.

988 (50) "Registered political party" means an organization of voters that:

989 (a) participated in the last regular general election and polled a total vote equal to 2%
990 or more of the total votes cast for all candidates for the United States House of Representatives
991 for any of its candidates for any office; or

992 (b) has complied with the petition and organizing procedures of Chapter 8, Political
993 Party Formation and Procedures.

994 (51) (a) "Remuneration" means a payment:

995 (i) made to a legislator for the period the Legislature is in session; and

996 (ii) that is approximately equivalent to an amount a legislator would have earned
997 during the period the Legislature is in session in the legislator's ordinary course of business.

998 (b) "Remuneration" does not mean anything of economic value given to a legislator by:

999 (i) the legislator's primary employer in the ordinary course of business; or

1000 (ii) a person or entity in the ordinary course of business:

1001 (A) because of the legislator's ownership interest in the entity; or

1002 (B) for services rendered by the legislator on behalf of the person or entity.

1003 (52) "Reporting entity" means a candidate, a candidate's personal campaign committee,
1004 a judge, a judge's personal campaign committee, an officeholder, a party committee, a political
1005 action committee, a political issues committee, a corporation, or a labor organization, as
1006 defined in Section [20A-11-1501](#).

1007 (53) "School board office" means the office of state school board.

1008 (54) (a) "Source" means the person or entity that is the legal owner of the tangible or
1009 intangible asset that comprises the contribution.

1010 (b) "Source" means, for political action committees and corporations, the political
1011 action committee and the corporation as entities, not the contributors to the political action
1012 committee or the owners or shareholders of the corporation.

1013 (55) "State office" means the offices of governor, lieutenant governor, attorney general,
1014 state auditor, and state treasurer.

1015 (56) "State office candidate" means a person who:

1016 (a) files a declaration of candidacy for a state office; or

1017 (b) receives contributions, makes expenditures, or gives consent for any other person to

1018 receive contributions or make expenditures to bring about the person's nomination, election, or
 1019 appointment to a state office.

1020 (57) "Summary report" means the year end report containing the summary of a
 1021 reporting entity's contributions and expenditures.

1022 (58) "Supervisory board" means the individual or group of individuals that allocate
 1023 expenditures from a political issues committee.

1024 Section 8. Section **63I-2-210** is amended to read:

1025 **63I-2-210. Repeal dates -- Title 10.**

1026 (1) Subsection 10-2a-106(2), the language that states ", including a township
 1027 incorporation procedure as defined in Section 10-2a-105," is repealed July 1, 2016.

1028 (2) On July 1, 2018, the following are repealed:

1029 (a) in Subsection 10-2-403(5), the language that states "10-2a-302 or";

1030 (b) in Subsection 10-2-403(5)(b), the language that states "10-2a-302 or"

1031 (c) in Subsection 10-2a-106(2), the language that states "10-2a-302 or";

1032 (d) Section 10-2a-302;

1033 (e) Subsection 10-2a-302.5(2)(a);

1034 (f) in Subsection 10-2a-303(1), the language that states "10-2a-302 or";

1035 (g) in Subsection 10-2a-303(4), the language that states "10-2a-302 (7)(b)(v) or" and
 1036 "10-2a-302 (7)(b)(iv) or";

1037 (h) in Subsection 10-2a-304(1)(a), the language that states "10-2a-302 or"; and

1038 (i) in Subsection 10-2a-304(1)(a)(ii), the language that states "10-2a-302(5) or".

1039 [(2)] (3) Subsection 10-2a-410(3)(d)(ii) is repealed January 1, 2017.

1040 [(3)] (4) Section 10-2a-105 is repealed July 1, 2016.

1041 [(4)] (5) Subsection 10-9a-304(2) is repealed June 1, 2016.

1042 Section 9. Section **63I-2-220** is amended to read:

1043 **63I-2-220. Repeal dates, Title 20A.**

1044 [~~On January 1, 2017:~~]

1045 [(1) ~~in Subsection 20A-1-102(71), the language that states "State Board of Education~~
 1046 ~~and" is repealed;~~]

1047 [(2) ~~in Subsection 20A-9-201(4)(a), the language that states "and State Board of~~
 1048 ~~Education candidates" is repealed;~~]

1049 [~~(3) Subsection 20A-9-201(9) is repealed;~~]

1050 [~~(4) in Subsection 20A-9-403(4)(c), the language that states "State Board of Education~~
1051 ~~and" is repealed;~~]

1052 [~~(5) in Subsection 20A-9-403(5)(a), the language that states "State Board of Education~~
1053 ~~or" is repealed; and]~~

1054 [~~(6) Section 20A-14-104 is repealed.~~]

1055 On July 1, 2018, in Subsection 20A-11-101(21), the language that states ", 10-2a-302,"
1056 is repealed.

1057 Section 10. **Coordinating H.B. 415 with H.B. 335 -- Technical amendments.**

1058 If this H.B. 415 and H.B. 335, Utah Population Estimates Production, both pass and
1059 become law, it is the intent of the Legislature that the Office of Legislative Research and
1060 General Counsel, in preparing the Utah Code database for publication, change the terminology
1061 in Sections 10-2a-302 and 10-2a-302.5 from "Utah Population Estimates Committee" to "Utah
1062 Population Committee."